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Chair

KENNETH McCLURE

DUNCAN E. KINCHELOE

HAROLD CRUMPTON

M. DIANNE DRAINER
Vice Chair

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
573-526-5695 (TT)

DAVID L. RAUCH
Executive Secretary

SAM GOLDAMMER
Director, Utility Operations

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Director, Policy & Planning

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Director, Utility Services

DANIEL S. ROSS
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CECIL I. WRIGHT
Chief Administrative Law Judge

ROBERT J. HACK
General Counsel

May 16, 1996

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Office of the Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

RE: Docket No. 96-98; In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996

Dear Secretary:

Enclosed are an original and seventeen (17) copies of **COMMENTS OF COMMISSIONER HAROLD CRUMPTON** for filing in the above-referenced matter.

Please file stamp the extra copy for return to our office. Thank you for your attention to this matter.

Sincerely,

Harold Crumpton
Commissioner
573-751-0582

HC/bsl
Enclosures

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**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C.**

FILED

MAY 16 1996

RECEIVED
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C.

In the Matter of)
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Implementation of the Local Competition)
Provisions in the Telecommunications Act)
of 1996)
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CC Docket No. 96-98

**COMMENTS OF
Harold Crumpton, Commissioner**

In its **Notice of Proposed Rulemaking** (hereinafter "NPRM") adopted and released April 19, 1996, the Federal Communications Commission ("the FCC") seeks comments regarding its mandate to establish new procedures to implement the interconnection provisions of the Telecommunications Act of 1996 ("the 1996 Act"). My distinguished colleagues on the Missouri Public Service Commission ("the MoPSC") submitted comments regarding some of the issues raised in the NPRM. I also believe additional comments are warranted.

The issue before the FCC is one of implementing a rational, coordinated, interconnected, national telecommunications system that ensures a seamless and transparent information exchange at prices that promote universal availability. The complexity of this issue is compounded by the influence of the competing telecommunications companies in the regulatory and legislative processes in the one federal, and fifty state jurisdictions.

The goal of all fifty-one jurisdictions is probably the same. Lack of coordination of a

rational plan will probably be the result if the fifty state jurisdictions do not quickly resolve differences and move forward together. While I reject the tone and tenor of the comments of my colleagues in Missouri, I endorse their more thoughtful and conciliatory conclusions.

The FCC's reading of section 251(d)(1) is correct; however, section 251(d)(1) has limits placed on FCC actions in regard to implementation. The FCC has the responsibility to establish or adopt national rules governing the incumbent local exchange carriers ("LEC"), competitive LECs, and other competing carriers under sections 251 and 252 with regard to interconnection, unbundling and call termination. Along with that is the responsibility to establish broad national pricing standards for those functions. Those broad standards should include some form of separations to the various jurisdictions; however, the FCC is not required to provide for separations. The FCC is justified in its conclusions because the ultimate goal is a deregulated telecommunications marketplace where regulators are replaced by market forces wherever possible. The FCC should create the transition. State regulators have to prepare for a new role as arbiter, mediator and negotiator with respect to market prices.

It is apparent that the FCC will need a great deal of assistance in implementing the 1996 Act, even after it adopts whatever rules the 1996 Act requires initially. According to 47 U.S.C. section 410: Joint boards and commissions, the FCC may refer any matter to a joint board except as provided in 47 U.S.C. section 409. In lieu of the proposed rules, I recommend that the FCC create a "joint board" on policy and standards ("PSB") for the purpose of identifying the issues best left to each jurisdiction. Where the jurisdiction is national, the PSB should be given the task of recommending generally acceptable positions for FCC consideration.

A PSB should be composed of state and federal regulators; consumers and industry representatives should be made a part of a PSB working committee. The industry representatives

should consist of--

- * one large interexchange carrier ("IXC"),
- * one small IXC,
- * one competitive access provider, and
- * one private pay phone provider.

The PSB would use the methods and procedures used by FCC joint boards. A proposed resolution of the issues should be submitted to the FCC for final approval. Expenses of PSB members should be borne by their sponsoring organizations. The PSB must have a strict deadline for reaching a decision and disbanding. Note, that such a joint board would require the full support and participation of the Chair of the FCC in order to succeed.

Respectfully submitted,

*Harold Crumpton by
Elizabeth H. Ross*

Harold Crumpton
Commissioner of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-0582
573-526-7341 (Fax)